

ABSTRACT

Title : *The Effect of Profitability, Dividend Policy, and Debt Policy on Firm Value (Empirical Study of Manufacturing Companies in the Consumer Goods Sector Listed on the Indonesia Stock Exchange in 2013-2017).*

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The background in this research is an decrease in the stock index of manufacturing companies in the consumer goods sector. Besides that, there is a differences in theory and reality regarding the relationship of variables Profitability, Dividend Policy, and Debt Policy to the Firm Value in the consumer goods manufacturing companies.

This study aims to analyze the effect of Profitability, Dividend Policy, and Debt Policy on Firm Value for the period 2013-2017. The sampling technique used in this research is using purposive sampling technique. The selected companies using purposive sampling, amounting to 16 companies with the 2013-2017 research year. The method of data analysis in this research is Multiple Linear Regression Analysis, which first tests classical assumptions. Hypothesis testing uses the F statistical test, the t statistical test and the Adjusted R² determination coefficient test with a significance level of 31%.

The results showed that the independent variables simultaneously (significance test F) affect the value of the Company with a significance level of 0,000. While partially (t test) shows that the variable Profitability has a significant positive effect on Firm Value, and dividend policy does not affect the value of the firm, and the Debt Policy has a significant positive effect on Firm Value. Adjusted R² value of 0.31 which means that the ability of the three independent variables can affect the value of the Company by 31% while the remainder is influenced by other factors.

Keywords : *Firm Value, Profitability, Dividend Policy, and Debt Policy.*